

Microsoft Enterprise Agreement Decision for FY2014 and FY2015

With the approval of the State Government Council, in 2010 the State of Nebraska entered into a statewide enterprise agreement (EA) with Microsoft. The enterprise agreement included licensing with special pricing for Microsoft Office 2010, the Windows Operating System, email and other collaboration services. The current agreement expires May 31, 2013, with the option to renew for two years (through May 31, 2015).

All state agencies participate in the email portion of the Microsoft EA through their state email accounts. The cost of licensing for email and collaboration services is included in the monthly charge you receive from the OCIO for email services.

Participation in the Office and Windows component of the Microsoft EA has been voluntary, with cost recovery based on the assumption that eventually all agencies will upgrade to Office 2010. Agencies participating in the Office and Windows components of the Microsoft EA have benefited by being able to use the latest Office and Windows products, having rights to upgrade to the most recent version of Office and Windows when the three-year period ends on May 31, 2013, and having access to other benefits of the Microsoft EA, such as the Home Use Program. Agencies that have not participated have not benefited from these advantages.

The State of Nebraska now faces a decision on whether to extend the Microsoft EA for another two years (June 1, 2013 through May 31, 2015) and if so, what fees to set for participation. If we do not extend the Microsoft EA, what are the corresponding consequences?

Benefits of extending the EA:

A major reason for extending the agreement is that it continues current pricing for all of the products in the Microsoft EA. The benefits of participating in FY14 and FY15 include:

- Continue current pricing for products included in the Microsoft EA;
- Own rights to the latest version of Office or Windows during the renewal period;
- Maintain eligibility to continue participation in future renewal periods without incurring the additional one-time, upfront costs of a license;
- Continue uninterrupted access to all of the benefits of Microsoft's software assurance program;
- Enables budget stability by establishing a level budget for desktop software;
- Maintain all desktops at the same version of Office or Windows, allowing for easier troubleshooting and version compatibility.

Consequences of not extending the EA:

A decision not to renew the Microsoft EA for FY2014 and FY2015 would have the following implications for state government, as a whole:

- Potentially higher prices for email and related licenses that would be reflected in a higher monthly fee for email accounts;
- Higher prices for separate enterprise agreements for agencies that want software assurance;
- Higher one-time costs for future upgrades of Office and Windows;
- Potential loss of investment already made by agencies that have bought into the program;
- Loss of other benefits included in the Microsoft EA.

You may be asking, if we decide to extend the EA, what are my costs over the two years? It depends on where you are on the purchase decision. The scenarios below will fit every agency as to where they are in

the purchasing decision. With the knowns and the potential costs, here is the comparison we are asking agencies to do to see how continuing the EA could impact your decision.

Your agency purchased BOTH Office and Windows already:

The prices for the current package are known. So, if you bought **BOTH** Office and Windows already, take your purchase counts and calculate it using the following table:

	NUMBER	UNITS	COST/UNIT	NUMBER	UNITS	ANNUAL COST
Email Accts		Mailbox	\$13.90	12	Months	
Windows SA		License	\$41.69	1	Year	
Office SA		License	\$97.27	1	Year	
TOTAL						

Your agency purchased Office already but NOT Windows:

The prices for the current package are known. So, if you have purchased Office but **NOT** Windows, take your purchase counts and calculate it using the following table:

	NUMBER	UNITS	COST/UNIT	NUMBER	UNITS	ANNUAL COST
Email Accts		Mailbox	\$13.90	12	Months	
Windows SA		License	\$41.69	1	Year	
Windows License		License	\$68.00	1	Time	
Office SA		License	\$97.27	1	Year	
TOTAL						

Your agency purchased Windows already but NOT Office:

The prices for the current package are known. So, if you have purchased Windows but **NOT** Office, take your purchase counts and calculate it using the following table:

	NUMBER	UNITS	COST/UNIT	NUMBER	UNITS	ANNUAL COST
Email Accts		Mailbox	\$13.90	12	Months	
Windows SA		License	\$41.69	1	Year	
Office SA		License	\$97.27	1	Year	
Office License		License	\$328.78	1	Time	
TOTAL						

Your agency has NOT purchased either Office and Windows yet:

The prices for the current package are known. So, if you have **NOT** purchased either Office or Windows already, take your purchase counts and calculate it using the following table:

